



RESTRICTED

SWEDEN - RAILWAY TRANSPORTATION

A. POLICIES

1. The majority of Swedish railroads are owned by the state. The policy of state ownership dates back to the middle of the 19th century, and in recent years there has been a marked trend toward complete nationalization of the rail system of the country. The railroads are Sweden's prime form of transport, and the bulk of all freight traffic, except timber and iron ore, moves by rail over a well-developed network, about half of which is electrified. All policies concerning railroad administration and operation are determined by the state through the State Railway Administration (JÄRNVÄGSSTYRELSEN).
2. Railroad policies are determined and administered separately by the State Railway Administration, an independent office in the Ministry of Communications. The Ministry is charged with integration and administration of all communications and public works policies, and is the liaison channel through which the various organizations concerned with transport deal with the state.
3. Strategic and military considerations have had little effect upon the determination of Swedish rail policy which directs the railroads in furthering economic and industrial considerations.
4. Since the government owns the major portion of the rail system (74 per cent in March 1946), subsidies, in the commonly accepted usage, are of little consideration. The government, however, is very active in promoting improvements in equipment and operating procedures on both state-owned and privately-operated lines.
5. Government rail policy in Sweden has been influenced in recent years by economic and geographic considerations and vested interests have relatively little direct influence.

B. ORGANIZATION

1. The agencies of government concerned with state-owned and private lines are as follows:

The State Railway Administration (Ministry of Communications)
The Railway Council (JÄRNVÄGSRÅDET)
The State Railway Board

2. The State Railway Administration is organized by bureaus, each dealing with specific problems of administration and operation, such as traffic, safety and finances. The Railway Council acts as an advisory board on questions involving rail traffic. The State Railway Board is appointed by the government and operates through district administrators. Representatives of the State Railway

RESTRICTED

RESTRICTED

SWEDEN - RAILWAY TRANSPORTATION (B-2 Cont'd)

Board are customarily appointed to the Board of Directors of private rail lines to which the government has made loans.

3. The State Railway Administration has no direct relation to any other transport agency, except as its operations are affected by over-all control and coordination within the Ministry of Communications.
5. The Swedish railroad lines are considered by competent authorities to be among the most efficiently operated of all state-owned systems and no public criticism is apparent concerning either administration or operation.

C. ADMINISTRATION

1. The Ministry of Communications is charged with the responsibility for determining the need for new rail lines or extensions of the existing systems. The need for new rail facilities is determined by the government in accordance with the needs of industry and commerce. The Ministry is inclined to allow privately-controlled lines to develop as they see fit. It should be noted, however, that due to the intense competition of highway transportation, no new rail construction is contemplated and some rail lines have either discontinued or sharply curtailed their operations.
2. Rates applicable to the state-operated lines are promulgated and established by the Ministry of Communications. Rates on privately-operated lines must be submitted to the Ministry of Communications for approval. Minimum freight and passenger rates are established by the State Railway Board, which has authority to effect changes under certain conditions.
3. The principal competition to the rail lines is offered by the highway transport carriers. The state does not attempt to favor rails over highway carriers, despite the financial interest of the state and as a result of this policy, the rail lines have suffered. This is particularly true of the 35 privately-owned and operated lines which account for 26 per cent of the total rail mileage. Despite the basic competitive positions of the two media of transport, however, a policy has been evolved which enables both rail and road transport to organize cooperative services for their mutual benefit.
4. The regulations applying to both state and private railways are issued and enforced by the Royal Railway Board, whose decisions in all major matters are subject to the approval of the government, and in specific cases, of the Riksdag.

RESTRICTED

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SWEDEN - RAILWAY TRANSPORTATION (C-5)

5. There are a number of technical schools which are either state-operated or state-subsidized, offering courses in technical training. The Royal School of Technology in Stockholm, and the Chalmers Technical College at Goteborg are examples.
6. Sweden is a party to many international agreements concerning traffic facilities, rates and other related railroad problems.